

# Payette Lakes Recreational Water & Sewer District

Regular Meeting  
June 17, 2026

## Directors Present

Ellen Holm, Chairperson (telephone)  
Bill Weida, Vice-Chair

Dallas Young  
Todd Fereday  
Brian Renstrom

## Advisors Present

Adam Christenson, Legal Advisor (telephone)  
David Watkins, J-U-B Engineers  
Bennett Welco, J-U-B Engineers

## Also Present

Sierra Christie, Star News (telephone)  
Tom Grote, Citizen (telephone)

## Staff Present

Tammie Richardson  
Jeff Bateman

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Todd Fereday called the meeting to order at 9:00 am, and Directors Brian Renstrom, Dallas Young, Bill Weida, Ellen Holm, and Todd Fereday all answered roll call.

## Approve Regular Meeting Minutes for May 20 2026

**Bill moved to approve the Regular Meeting Minutes for May 20, 2026, it was seconded by Dallas and the motion carried.**

## Approve May 2026 Treasurer's Report

**Dallas moved to approve the Treasurer's report for May 2026, it was seconded by Bill and the motion carried.**

## Discussion on Accessory Structures Requested by Director Todd Fereday

Todd stated that before we get into the discussion, he would like to make a statement to cure a potential open meeting law and technical violation. Recently, he and fellow board member Brian Renstrom briefly discussed their personal opinions regarding ADUs and how our District policy might be revised. While our intention was not to violate the Open Meeting Law, legal counsel advised that this private exchange of information fits the definition of a deliberation. To ensure total transparency and to fully cure this potential violation, he wants to state on the record that he and Brian discussed the ADU policy and its revisions in private, which could benefit our community and our District. He would like to open up that exact topic now so the full board and public can hear our thoughts and participate in this discussion.

Brian stated that, to go along with that, he submitted a couple of documents to Tammie for the Board. He wrote up some of his thoughts on the potential business case, which is part of the discussion. What are the financial ramifications of ADUs? Trying to put together his best information on it, and some of the research he has on what other locations use for ADUs. Todd commented that he briefly spoke with Ellen about this topic. He thinks there's room in our policy to bring something else to the table, not only for our District, but for our community. He thinks it's a worthwhile discussion.

Bill commented that he had to look back to see when the vote was taken, that we originally turned down the idea of ADUs a couple of years ago. He was thinking to himself at the time, as he looked at it, what in the hell was he thinking? The reason he was asking himself that question was that, as a District, given the way we formed and the reason we formed and the legal status we had when we formed, we were given a specific duty by the voters who approved it, which was to maintain capacity as best we could to handle the sewage which was generated by the area that we service. And that's all. For that reason, if he had been thinking about it, he would have opposed even having a vote, as we did in '2024, because that is not our business. What's not our business is deciding what kind of buildings will be built in town to satisfy whatever restrictions. As long as it puts out 1 ounce of effluent into our system, we have an obligation to assess it in terms of the system's overall capacity and see what it says. We have no obligation or authority to review it and say whether we like or don't like ADUs. It's not our business to like or dislike any property. Our business is to determine whether or not we have the capacity. It's funny because you get conditioned by the response of people who come and go and so on. He was thinking, we've got a whole raft of people who have things that they wish that the Sewer Board could do for them, and none of those people seem to have a clear idea of what the Sewer Board's mission is. He would say this is one more indication of that. Irrespective of your feelings on ADUs, and he could have lengthy debates about how long they'd be occupied and everything else, it's totally irrelevant because it has nothing to do with our overall mission to maintain a certain amount of capacity. Now we have all sorts of things that are going to infringe on this sort of thing. He thinks we have to maintain constant awareness of what we're actually voting on and try to set up ways to handle these other things through another mechanism, because it's certainly not within our ability to do this. He looked over Brian's reports, and one of the studies was one he had seen before. It is interesting. But once again, not our lane, not our business, not what we do. To the two new board members here, if you got on the Board thinking that this was a good thing, good for you. But the fact of the matter is, if you want to push this as a design, you're on the wrong Board. There are places, like the McCall Redevelopment Group and similar organizations, where you can push those issues, but this is not one of them. If we were to sponsor one type of building specifically, we might harm the work of others in the community who are responsible for thinking about what the community is supposed to be 20, 30, or 40 years from now. He appreciates the work and the attempts you're making, but thinks this is so far beyond our ability to have any impact on, or legal impact on, and that's part of the problem. He thinks this should stop today. You should wait a bit and see if something else happens that might enable something like this in the future. But the only way it's going to happen is if we expand capacity, not by expanding the types of buildings that use it.

Brian stated he agreed with a lot of what Bill said, but at the end of the day, his perspective is that the Sewer District's charter is really about gallons coming in and the capacity to process them. The challenge is that we don't have a good way to measure gallons. That's where ADU policy starts getting involved. If we had flow meters in every home and could bill based on the amount of water they're discharging, things would be fairly clean: a one-to-one connection between our capacity and their demand and the demand they're placing on the system.

Ultimately, all we care about is how many gallons you are sending us per day, your peak flow, your average flow, and the quality or composition. For example, in places like breweries, the composition is really screwy and places a lot of burden on treatment. Typical residential areas tend to be pretty much the same. In an ideal world, if we could manage gallons, life would be very simple. He would love to dive deeper into flow metering and figure out whether there are ways we could migrate towards it. Some locations he knows use the water bill as a surrogate for

the sewer flow. Some use a ratio of those to approximate how many gallons you're sending to the system. But the reality is, we don't have flow data for every home. We need a surrogate to estimate the number of gallons you're sending us. He thinks that is the point where we can discuss how we're approaching it. We are using a flat rate of 250 gallons per home. As he researches this, he finds that other districts and municipalities have a range of approaches. Some do the same thing, just the flat fee. Others have done fairly elaborate graduated schemes based on home type and size to approximate gallons per day by home size, number of bedrooms, home type, and similar factors. If you think about a studio apartment in a new development versus a full-size or luxury home, he thinks it's reasonable to expect the gallons per day would differ between those home sizes. That's what the industry data shows, which is some of the information he shared. I think it comes down to what we want to use as a surrogate for gallons per day. Is it home size? Is it the number of bedrooms? Is it plumbing fixture count? How do we want to approximate that? Does that make sense?

Bill stated it makes sense, and he would agree with Brian that we need an accurate proxy for it. One of the things the paper you circulated demonstrates is that there's a pretty wide range of what people think would count as a proxy for the thing. My choice is to do something slightly different: step aside from deciding one building versus another as he looks at this as an economist, and he would say: if you're going to build a bunch of cheap, small buildings, I would bet you long odds that they'll be occupied more of the time than the larger, more expensive buildings. If that's the case, the sewer flow should actually be greater from them. Hypothetically, a bunch of college students who decide to come up and spend the summer wakeboarding, to make sure that the lake is totally polluted. He would guess that you might find some of these ADUs with twenty kids living in them. The only thing they'd be doing is repairing the action lever on the toilets once a week because they were getting so much activity. The District needs to go to our source of strength. We have one asset, and it's I&I. The I&I is an asset because for every bit of I&I that we stop, that automatically generates a place that you could put in another sort of building, an ADU if that's what you want, a three-story apartment complex if that's what somebody else wants. He is going to ask the Board for 60 days. He has been invited to talk to some folks and has had several conversations with them about possibilities through the Redevelopment Agency, which has some financial resources. He will come back in 60 days with a bit more specificity on the whole thing and see if you don't think that might also be an option. What it would wind up doing is acknowledging that it's not us who are going to determine what kind of buildings it goes to; it's the city's Redevelopment Agency that actually has a mandate to come up with those buildings.

Todd commented that he is all for including that agency. He feels like we, as a Board, should also have a frank discussion about what we're doing to be proactive in our community and in our District to generate revenue for everything we do to increase our capacity, especially with our pond liner and everything that's coming down that pipe. There are many things he feels we can do proactively by developing an ADU policy that generates revenue to address the I&I. Bill agreed that there are things we can do proactively; however, one of them is not tied to a specific housing. One of them is tied to doing the best we can to increase capacity.

Todd asked whether Bill believes that the square-footage rate for a Whitetail home over a certain square footage will be equal to or better than the ADU policy hookup rate for the interim? Bill answered that he does not believe that's a question that we have to answer here. In other words, if we were to provide the city with additional capacity, it's up to them to use it. Brian commented that he is fine waiting 60 days because he has lots of questions and a lot to learn, and that this is an opportunity. Some of the things on his mind, and that he and Tammie have had a little bit of discussion about, are: how many ADUs are in the system today? He

thinks the answer is we don't know. Also, how many ADUs were permitted or added in the last calendar years 2024 and 2025? He thinks the answer is 0.

Tammie commented that we have had ADUs in 2024 & 2025, but we do not keep them separate because they are considered a hookup. It is correct that we have no idea how many ADUs there are in the system because the City did not have them separated when we imported their customers at the time of annexation in 2017. We also usually find two or three a year that have an ADU, which we received from the City and have not been charging because the City did not have it on the list. Once we find out, we correct the error and begin charging them.

Jeff agreed there are probably several in the city that have been connected and are not being charged for, including illegal connections.

Brian, that is another question that's kind of top of mind for me, and this is maybe a little bit hypothetical, but let's say we sprinkled 10 ADUs randomly throughout category A basins throughout town. What bad thing would happen? Tammie replied that it would need to pass the legal test. Brian stated he is not talking about legal; he is talking about what physically happens. Does anything break if we add 10 new ADUs?

Bill stated the bad thing that would happen, and this is not even probabilistic; it's for sure. The bad thing that would happen is that, by doing that, we would have established a precedent, and by establishing that precedent, we would not be in a position to turn down more ADUs for anybody else, because we've already said okay to the 10 ADUs. Brian commented that he was thinking physically, like what happens to trunk lines? Do we have manholes that overflow?

What happens physically to the system? We've added load to the system. You guys are thinking legally. Jeff answered that the thing that stands out to him is when we started this master plan and the sewer model the Board at the time, and everyone involved in the master plan, decided we would keep the density set when we took ownership. We spent a bunch of money on the master plan and the capacity study for the set density. He knows for a fact we've got several, and doesn't even know how many 8-inch lines that are too flat that hold water all the time.

Some of them are in category A basins. Adding that extra flow, because as soon as we say, 'go ahead, everyone can have an ADU,' the floodgates are going to open. I don't even know how many phone calls I get a month from people wanting ADUs. It does put a load on the system.

Before we had the city system, he and Sam drove around the district system, and the small cabins had 8 to 10 cars at them. The big cabins, if I remember right, had 12 to 15 cars throughout the system over the 4th of July. When he started here in 95, the flows were low. The flows we have now throughout the summer are pretty much the same as our high flows were back then. We feel we are finally making headway. The Board passed the new policy in April, which sets the density we're meeting. He has had several people call him excited about the new density policy we have. It allows them to reach the set density because the majority of it is a Category B basin, which is helping many people. If someone has the density for an ADU, they're more than welcome to have it, but not at a lower permit fee. The District's priority is to maintain the health and safety of this environment. Allowing a bunch of ADUs where we can't really regulate that, and it's not our job to regulate it, our job is to follow the policies that we have in place, and that's what he does. But adding a bunch of extra connections that do not meet density to a system we already know is dilapidated, with decades of deferred maintenance, is not in the best interest of the District, in his opinion. If we go down the route that he feels like a couple of you are wanting, in his personal opinion, we're kicking the can down the road for the last 30-plus years of not addressing the issues within the collection system that have been there. He does not feel it is wise to reevaluate the ADU policy. The District has spent a ton of money on completing the master plan and on research, engineering, legal, and related work. Granted, we're taking

care of I&I, but the capacity gets eaten up with connections every year, so we're still just staying at the same pace. We also face constraints due to the lagoon issue.

Reviewing some of the stuff Brian wrote about not having any pumps upgraded or new lines, and stuff like that, is something we don't know. If we start adding a bunch of connections, some lines may need to be upgraded. Line conditions on these 8-inch lines, where we know they're not at the proper grade and are holding water all the time, might need to be replaced. David explained that the model includes every manhole and pipe that has been surveyed, and that it is based on the actual slope and sizes of the pipes. A Category A basin means that, during that build-out, no surcharge was predicted for the storm event. That can be true on a flat line if there's not that much flow. Brian commented that he is trying to reconcile because he is hearing two different stories. Category A basins says we have no problems, we've got capacity, and you're saying we have problems.

David answered that the flat-line pipe reacts to additional flow more quickly. So the flat line has less capacity than the same pipe with a steeper slope. David thinks that Jeff is concerned that these flat lines, which are category A basins right now, could become a bottleneck if we add additional flow beyond the density we model. As far as what physically happens, there's, of course, a risk that something that's category A becomes category B, and something that's category B becomes category C. If there are policy changes that affect the density from what we modeled. That would have to be predicted, or we'd have to reanalyze the impacts of that policy on the model. As for the highest priority or what would impact the most, it's going to be storage. The District has 20 years of capacity with that storage pond. That's what our calculations show right now. If you do something that greatly increases growth, then 20 becomes 10, and so on. That pond is not built for build-out. Build-out could be 40 years from now. Sewer models differ slightly from how we predict storage pond capacity. So about 20 years of your normal growth is what that pond has left in it. If you do any activity that results in higher growth, that 20 becomes less. That's the impact. All of this is hard to predict because the storage pond and liner are getting replaced. When it's not leaking, that number can go up as well. We won't know that until we're done and have a better estimate of how much water the pond can hold, which is why, in the master plan, we strongly recommend continuing to look for a site for a second storage pond. But that's probably your biggest thing to solve: that any activity that encourages growth could have an impact.

Brian commented that what he is hearing is that if we sprinkle those 10 ADUs, 20 ADUs, whatever, throughout the system, some lines may be over capacity. We're using up future reserves against the reuse pond.

Bill commented that, among other things, yeah. It's the precedent that matters more: you cannot sprinkle 10 without sprinkling 110. Brian replied that it was a hypothetical. Bill replied that the deal is: if one, two, or nine people can have an ADU, why can't everybody? Since we are a legal entity that serves the community, the answer is that everyone can do it. That is the point, you've automatically changed the output. Now, as opposed to doing it that way, it makes a lot more sense to try and work off the strength of the model, which is essentially just that it predicts what happens in the long term, but you can't very well run the model backward and predict where an ADU or anything else ought to be. Rather than trying to do the impossible with the model, what would be perhaps more useful is to use the model to demonstrate where the effect of I & I is the greatest, and then to solve sections of that area at a time to keep it in a general sense to correspond to how the model works, and then use that to free up certain amounts of capacity and use it as the city desires.

Brian commented that he would prefer to view it as giving that capacity to the citizens and patrons of the District, not to the city of McCall. Ultimately, he answers to the citizens of

McCall, not to the city council or the mayor. His concern is his friends and neighbors who live here. Maybe that's a distinction without a difference. Bill agreed, but what you have to understand is that this whole system is built on what we call, in economics, the free-rider concept. There's no apparent charge for using it, so everybody starts using it for free, and nobody wants to pay for their part of it. We can't make people pay because we can't build an ADU and put a meter outside, and every time you use a toilet, you'd have to pay a fee.

Brian asked David what the state of the art is for metering sewage flows? David replied that he is not sure he would need to look into it and get a cost. The most common way is what you mentioned: water meters. The problem is that most of the District isn't on the water. So it would only solve half the problem. The other hard thing, because we did talk about that during the annexation process, is the water meter: it only works when you have a very consistent population, because you actually measure in the winter and apply that year-round. In McCall, there are a lot of abandoned houses that would get zero flow in the winter, and you've got irrigation and such, so you don't use those water meter records. It creates another problem. One thing we keep running into in McCall is that everything here is unique. It seems like every time there's a unique idea to solve it, it doesn't work.

Brian, this is hypothetical: say somebody's got a 1000-square-foot small home. One bedroom, one bath, one kitchen. They want to add two more bedrooms, double the kitchen size, and two more bathrooms. Do they have to pay an impact fee or a connection fee?

Jeff replied that it's billed on livable square footage, so their monthly bill would change. Their monthly bill would go up, but they wouldn't pay an additional connection fee.

Brian, if they did the same addition, put a dividing wall between it and rented half of it, that's an ADU, and if they don't have a wall between it, and they rent it out to two or three friends, the same number of people living in the house, but they don't have a fee. This is part of where I have a hard time with the ADU policy. It's like we allow them to freeload on the system to increase their demand. The connection fee, or whether it's allowed or disallowed, really comes down to whether there's a wall in the building or not, or a door between the addition and the existing structure. As he researches other locations, a remodel addition that adds significant plumbing fixtures should and could trigger a connection fee because it has significantly increased their capacity and their demands on our system; they're sending us more gallons per day. To him, it's a policy inconsistency. Still, it's also an opportunity to collect more revenue: we should charge a buy-in fee for the additional capacity they use during a significant remodel. Bill responded, and if it were a motel or something like that, we would be in complete agreement. But because what's happened is that our legislators in Boise have a legalized free rider opportunity here, where you've got houses throughout the region that are being set up not for residents, but Airbnbs, and the reason is everybody wants them, because they can make more money because they don't have to follow all of the laws that a legitimate motel has to do. Brian commented that he had a great case study in his neighborhood that Tammie and he had talked about. There's a house just near him with 6 bedrooms and 3 1/2 baths, and an existing ADU above the garage. It is a short-term rental—basically, a small hotel. You can rent the studio apartment above the garage (the ADU) separately from the house, or rent it combined with the house. We charge the same connection fee, and okay, they pay a higher monthly fee, but they pay the same buy-in to the equity for that as someone with a 1,000-square-foot home and a 500-square-foot ADU, which we wouldn't allow. There are some things like that where you're like, "Is this really fair and consistent?"

Bill stated there's nothing you can do because a group of marginally high-paid people got a hold of a group of marginally high-paid representatives, as they're called, in the legislature, and had them pass a law to make these things legal. What we have is a city filled with these stupid

outfits, which we wouldn't have if we had, shall we say, a more reasonable form of government in the State House in Boise. I'm not optimistic about solving that problem.

Brian thinks that probably leads to the next thing: the connection fee. I think we've talked about it in the next regularly scheduled update to the connection fee is 2028.

Tammie answered that is correct. They base the hookup on improvements, so we were going to do a hookup fee analysis after the pond liner was replaced.

Brian commented that this gives him some time to think through this and flesh them out. The next time we discuss this, well, let's make it the 60-day meeting. He wants to work with the Board to share some of the research he has done on what other locations are doing for this Lewiston equity buy-in, I believe. Basically, it's the same methodology. They're taking the total system capacity and total system value, dividing them up, and saying, 'You're building a new home or a remodel.' We could consider making remodels trigger an equity buy-in. If you're significantly increasing your system load, you'll pay a new connection fee. It generates more revenue that we can then put into I&I, and it helps address some of the freeloader problem. In my thinking, part of the ADU discussion is: if we give lower rates for ADUs, we also need to look at higher rates for the others. I believe it's legal. Other cities in Idaho are doing it. Adam can certainly weigh in on that, but if the City of Boise is breaking the law, I'd like to know about that because they're doing it. Lewiston is doing it. Other locations have variable buy-in fees based on the property, the home's features, size, plumbing fixtures, interior wall arrangement, and so on. So, it appears to be within the realm of legal possibilities within Idaho.

Bill, I have no data to back this up, but I would say that, in this particular case, the city has done everything it could to control this cancerous outbreak in the community. And the response was that the realtors got together and had this law passed that kept the city from doing a number of these things. The fundamental problem is that you have all these properties that have accelerated in value. And the best way to sell them is to convince the owner or potential owner that if they buy this property, they can turn it into an Airbnb and earn big bucks. That's what they're doing. And everybody else suffers in the community. Essentially, they are identical to being wake boats, except they don't go in the water.

Brian gave the City of Boise as an example. They are actually breaking it down by the capital cost of the collection system. The waste treatment capital cost is calculated into two separate line items. He thinks we should add the pond liner so they end up with basically three impact fees or three equity buy-in fees, if you will, and Boise is breaking it down based on ADU homes less than 700 square feet, 700 to 1400, 1400 to 2100, 2100 to 2800, and then larger than 2800. And so it's a graduated scale: the difference from an ADU is \$1,600.50 for a buy-in fee, and over 2,800 square feet is \$5,000. He thinks it can help alleviate some of the freeloader problem with short-term, very large rentals and, at the same time, provide a little bit of relief for smaller homes, which he thinks helps with the affordable housing problem. When you charge a high flat fee, it's really hard to build an affordable home when land is expensive, and your connection and permit fees are also high. It's just like when you turn the first shovel of dirt: you're \$20,000 to \$30,000 in, regardless of home size. There's a bias in our pricing structure that says, 'build big.' And so that's one of the things that he thinks we could look at, not just ADUs, but just affordable housing in general. It's really hard to build affordable housing.

Bill reminded him to remember that all these things are under the control of someone other than us. Brian disagreed that it is under our control. We can charge an equity buy-in fee.

Jeff stated that the District has gone back and forth on accessory dwellings within the original district system, and every time it ended up biting us in the \*\*\*\*, we've always gone back to the ADU policy.

Bill commented that as everybody's thinking about this for the next 60 days, review again what the Sewer Board does and what our charge is to the community and let's try and keep the responses within those confines because my feeling is that there's a lot of stuff that could be done if we had a different organization in the city, and if we had a different thing here. A different thing there, that's not our business to bring about those minor revolutions. Our business is to stick to what the voters asked us to do when they formed the District and when they voted to annex the city system: to worry about overall capacity.

Todd asked Dallas or Ellen if they wanted to throw anything into this discussion. Neither Ellen nor Dallas had any comments other than that it was interesting. Todd stated that he thought the discussion was good and was glad to have it.

### Engineer's Report

David reported that we put Lake Street out to bid, but received no bids. It is a strange project. It's smaller, and it's in a tight place. It's a sewer under the building.

Jeff added that he had a CIPP installer contact him, along with a local contractor that the CIPP contractor called the day before the project's bid opening. They said they were very interested in the work, and we've hired them to perform many spot repairs throughout the system.

They needed a general contractor for some spot repairs on that line and the realignment of that offset manhole down there below Chapala's. He spoke with Adam, and his understanding is that we can go out and solicit a private contractor. I've contacted these individuals. He explained that within the next couple of weeks, he would like to get them up here to take a look at this job, because some of the logistics will be very difficult. He would like them to give their input as well, because, as he said, there are some places that, logistically, will be difficult to get the job done. One thing he talked to David and Adam a little bit about, and I'll refer to David and Adam on this as well, for part of it, I would like to do a T&M thing for some of the spot repairs, and we can discuss that, because I think we'd get a better deal on that part of it. For the lining of the line, I think it would be a good idea to have that as a line item price, just because I'm not familiar enough with that part of it to say, yeah, I think that's a good deal or not. There might be some contract details that need slight adjustments on David's end, and Adam should review them. He is not sure how that's all going to work out yet. We haven't really discussed it. The plan is to get these other contractors that were interested in doing this, the ones that contacted him, get them up here to do an on-site walk and get their input on how they think it would be best done, as well, and move forward from there. David commented that there's not much to work on with them until they look at it and actually claim they can do it. We're writing up something to send to Jeff and Adam about the T&M question.

David reported that Spruce Street is still with DEQ, awaiting approval. It is a small project, and we are hoping to get some bidders. Lift Station 27, we're progressing with the submittal reviews. He thinks we finally got all the front-end paperwork. That took a little while to iron that all out with K2, but he thinks we have it all now. That one's looking like it'll still happen this fall. Wooley, we are into the 30% design, but we're waiting until Spruce Street is out to bid before we move forward with more gusto.

David reported that he has the air base results, and we are finishing our calculations and should have it done soon. He went over so that everyone's aware of the air base. They rinse the planes off, store the water, and then we make them test it. We have a pre-treatment agreement with them under which we bill them based on the gallons of phosphorus, since it's very rich in phosphorus. It's not a lot of water, but it's a lot of phosphorus. We calculate that load. Brian asked how many gallons. Jeff replied that it does depend, but it's thousands. Brian asked if it is too much to truck it out. Jeff replied that there had been talk about that at one point as well.

Talking to the tank manager over there last year was one of the highest phosphorus years in the washdown. He said they've changed the chemical compound slightly and should be lower this year.

David reported that District staff surveyed each camp to gather the latest information on the number of cabins, campers, kitchen capacity, and similar details. Bennett just finished updating that spreadsheet, so we'll meet with Jeff, and then there might be minor changes to those billing rates. Jeff added that most of them will change because of the kitchen. Jeff commented that's something else he wants to discuss with David and the Board at some point. The camps don't currently have a density set for them. He thinks there probably should be a density set for some of these camps. Most of them have quite a bit of land, but it still should not be a free-for-all. That will be a future discussion.

David reported that ITD is on board with our plan, but they said they won't give formal approval until a plan is set. We have to prepare a one- or two-sheet plan set, and Braxton's working on that right now. As soon as that's done, we should be able to obtain ITD approval, which will allow us to receive the contractor's official bid. The Board can then consider it an emergency, or we have to put it out to bid. Or if it's below a certain amount, it can fall under different bidding laws, but that's the current path.

Bennett went over the meeting that Jeff, Tammie, and he had with the funding team. JUB has a team dedicated to writing grants and developing plans. Right now, they're working on a strategic funding plan for the District over the next few years. Kind of the grant that we want to target every single year, to make sure we're hitting all those boxes, taking advantage of every opportunity that we can. And they'll also handle the grant writing so we can do it efficiently. David commented that the plan will include the cost of preparing the grant and the effort required to do so. Some of them are very difficult, and some are very quick, like a couple of pages. So that way, you guys can kind of pick which ones you want to target. Jeff stated he told Bennett to go ahead and get that started because he thinks it's important to take advantage of their professional grant-writing system and related tasks.

#### Pond Liner Update

David gave an update on the pond liner. We're still progressing on the items we can progress with IMCO. The main ones are the temporary treatment facility and IMCO's ongoing work on solutions that don't require building, so that the District can have a choice. Do you want to build a vehicle storage building that we can use temporarily for treatment? Or do you want to do like a mobile container to hold the mobile treatment during construction? And then we're doing a preliminary design for that steel building, just so you guys have an idea of what it's going to look like and how much it's going to cost. We've got structural and geotech moving on it and should have something here soon. The pond is predicted to be empty in late July.

Jeff added that we really just started it up this week. The farmers haven't been using hardly any water out there, so it kept shutting on and off. It's bad for those pumps, so we just shut them off. We turned it on Monday, I believe, and as of yesterday, we're putting out about 2,500 gallons a minute. The plan is to have it empty by July 20. Then we will go down there to look at the sludge samples and the repairs. David, the plan right now is for District, JUB, and IMCO staff to be down there collecting samples and inspecting the liner. That will be two-fold. IMCO's trying to assess the exact volume as best they can, but we're also collecting samples to understand better where the solids can go. IMCO also needs to set a more accurate price rather than just overestimating it.

Bill stated that this is the most frustrating situation he has ever encountered. It's like there's nobody home in Boise's DEQ. We've tried everything to put pressure on them. Just give us a

damn decision. I don't care what it says. Quite frankly, we have done everything we could think of. What it's amounted to is that DEQ has single-handedly extended the time it's going to take to do this by at least a year, and it keeps getting longer as they fiddle around.

David, we'll get every domino we can lined up. We are just waiting for that first tip, and the project should move forward pretty quickly. IMCO is already preparing bid packages, assuming they can make some schedule assumptions, since we can't finalize the schedule yet. They're also preparing which bid packages will go out first and what the scope of each one will be.

#### Legal Report

Adam reported that things remain busy. The main update isn't much of an update, and Bill just touched on it. We've continued to work with Kevin, your special counsel, and the working group on the pond liner project, which is working with DEQ to move that forward so the District can begin phase one of the project this summer. The court extended the time to respond to DEQ's complaint until July 7. We're working to get this resolved with DEQ before that. But that requires DEQ to engage with us and for us to reach an agreement on a proposed compliance and construction schedule, incorporate it into the consent judgment, and finalize the various provisions of the consent judgment. We're still waiting on DEQ to move that forward. We will keep pushing and hopefully have a more substantive update soon, but that's where we're at for now. Otherwise, it's just been a lot of day-to-day type stuff, procurement questions, illegal connection issues, easements, that sort of stuff.

#### Discussion on Request from Tomi & Tom Grote regarding Posting Board Packet Documents

Tammie presented the letter from the Grote's requesting that the District post the board packet documents on the website. She explained that there were two issues she was concerned about, which is why she was hesitant to post the packet documents. The first issue is that she sometimes does not receive the documents until the day before the meeting. She wants to make sure everyone knows that it may not be posted. The other issue is adding that task to the office. Lorraine loved the website, and that was one of her tasks. She did train Clover a little bit, but Clover is learning the job and does not have time, so I took over that task. I can post the agenda and minutes, but I do not want to commit to posting the packet. There are just two of us, and one is new with 4,300+ customers, and it takes time to post all that stuff. Grote's letter said the county commissioners were going to do this, and yes, they are, but they are hiring an administrative assistant. I reached out to McKenzie Kraemer at Meadowlark Marketing, who built our website, and asked her what it would cost to post the content. It will depend on how much she needs to post, so we might want to review this later. She will also do quarterly maintenance on the website. The cost for the year is \$550.00. I think this is worth it, but there are two caveats: if I do not receive a document by Thursday, the week before the meeting, it may not get posted on the website, and if it is extremely long, like the IMCO agreement.

**Brian moved to approve posting the board packet documents and the contract with Meadowlark Marketing at \$550.00 per year; it was seconded by Todd, and the motion carried.**

#### Discussion on the Fiscal Year 2027 Budget

Tammie reported that she made some changes from last month and wanted to go over them with the Board. There are no changes on page two of the revenue worksheet. She has not yet received the final numbers from the county on new construction. We probably will get that in July. On page three, there were some changes. The final number from ICRMP was slightly

lower than she thought, so it has been changed. She moved public involvement to its own line item. That line item is for Rebecca (Langdon Group), who will update the community on the pond liner replacement throughout the project and on all other projects. On page four, we had 750k in for a new cleaner, but Jeff thinks it will take a whole year to find someone to custom-build for us, so I kept 150k in there; the rest will be in the 2028 budget. We added a skid steer because our tractor went kaput. Jeff explained that the tractor's clutch went out. The tractor was built in the 80's. The clutch went out, and looking at it, the whole frame casing, where the clutch housing and everything sits, has a crack as well. To repair it will be 7k, and he does not think the tractor is worth that. We put in 80k for a skid steer, but we just received the quote, and it's more like 100k. On page 5, engineering, we added 50k for the funding specialist to go after grants. Since we moved the bulk of the cleaner to 2028, I added 250k to the I&I budget. There are no changes on page six. On page seven, under Salaries and Wages, I changed the COLA from 3% to 4% based on the board's feedback in May. That difference is \$14,297.68. She directed the board to the summary page. This page has our debt service (bond). She asked the Board whether they would like to add anything to the I&I budget. The board discussed not taking too much from the reserve fund, since we don't have a final number for the pond replacement project. She will bring a final FY27 proposed budget to the board at the July board meeting. We can still make changes at the July board meeting, but the Board will have to make a motion to publish the budget in the newspaper for two weeks before the budget hearing in August.

#### Staff Report

1. Tammie reported that we sold 3 permits in May and have sold 5 so far in June. Mr. Hormeachea will be purchasing 62 permits for 2-bedroom units and 48 for 1-bedroom units. The amount will be \$1,516,240M. They already had 16 connections on that property.
2. Tammie informed the Board that she has been working on delinquent accounts that are more than three months overdue. We started with 65, and I am down to 43. They have until July 31, 2026, to pay unless the Valley County Treasurer extends the date.
3. Todd asked about the Hormechea concrete detail for the carport. Jeff replied that they have not yet decided whether to move forward with the carports; it depends on the overall cost. Jeff did let them know it needs to be at least 10 feet from the line and that all private utilities must be kept out of that 10-foot area.
4. Jeff reported that the airport started their project. We had our first construction meeting yesterday. Sounds like they're changing some of the ideas they have about what they want to do over there. He is waiting on some new drawings. There'll have to be another line extension. It doesn't make a whole lot of sense to him how they're doing it, but that's their decision.
5. Jeff reported that the Washington Street Line Extension was installed early this month, so that's done. He hasn't received the testing for that yet, but they had to reroute one of those houses that's on Washington Street. It went over the hill and tied into the line there in the trailer park, which had to be done before we were going to let them start anything over there. They have started on the sewer repair work. They ran into some conflicts, which is not surprising on any construction site, especially when dealing with old infrastructure and rights-of-way. Some of the manholes will have to be moved away from the water lines to bring them into compliance.
6. Jeff received an email on Monday that they had signed a contract for the construction of the E4 project. We received the easements that needed to be terminated, with the signatures, and the new easement for the new part of the line that will be there. Next

week, he will take the termination easement or the new easement to the recorder's office to get it recorded before they actually start. But he is not going to record the termination of the easements until that new line is active and operational.

7. Jeff reported that the test holes for the temporary treatment building at the wastewater plant pond will be done on Tuesday.
8. Jeff went over some miscellaneous items. We received the sewer model run for 600 River Street. The termination of the easement on Spring Mountain Boulevard is in the homeowner's hands, and he should get it back soon. Clay Farrow informed us he will be resigning here within the next month or so. He is taking a job at the McCall Fire Department. We are going to run an ad in the paper this week for a couple of employees, since a few of us are likely leaving the District around the same time. We've still got a few years, but we need to get some people lined up and properly trained before that takes place.

Brian commented that he had a couple of things. Looking at the calendar, Independence Day falls on a Saturday, and it's the 250th anniversary. It seems from our earlier discussions that this is potentially a high-flow event. Do we have people lined up to monitor that? Jeff replied that we will have a pretty good idea. Each pump has an hour meter so that we can check it during rounds on Wednesday. They can get the numbers today, then we can calculate how many gallons per minute. Brian replied that if we went from Wednesday to Wednesday, so basically July 1 to July 8, we would capture that peak. We have time sheets from when he started in '95. We could go back and look at the weekly. We could go from the Wednesday before the 4th of July to the Wednesday after the 4th of July. If everything's flowing, it's flowing. It's not going to build up in the manhole if everything's flowing. I'm not saying there's going to be a blockage somewhere that could happen any time. We just found one down here the other day, and we're lucky the guys found it. Brian thinks that would give us a good picture of how much margin we have in the system before we have a disaster. It would be interesting if it's 50% of capacity for the day, versus, oh, 90%. If we're at 90%, we probably need to address that, but if we're at 20% or 50%, I think it would help us make good decisions about growth and development.

David added that the other thing he was going to point out is the treatment plant's flow meter, which measures the total flow of the system, and that's always retained. They can pull up that hourly, daily. Brian commented that he will be out of state for a few days but may set aside a few hours on July 13 to come in, review the data, and put it together.

David, another thing he was going to point out is the worst-case scenario in the system: if you're trying to find the worst stress, it's always the rain-on-snow event. The 4th of July is a big event, but the last time we saw pump stations running continuously for days was during a rain-on-snow storm. Jeff stated that's usually when the problems arise. David commented that the master plan says that if you got rid of all your I&I, you could probably fit another city this size in your city. That's the biggest problem, and it's been that way for decades.

Brian, the next topic, and this is one he would like to help with. As he reviewed the business case for ADUs, Tammie and I discussed the I&I line item. He saw the \$40,000 in the budget for I&I reduction and thought, "Oh, that's it." And then he discovered there was another line item that wasn't labeled I&I, and he didn't quite understand it because of my lack of experience with the collection system's spot repairs. We budgeted \$1 million for I&I reductions in 2026. He thinks there's a great opportunity here for public outreach, to write up a press release, basically. It could say we spent \$1,000,000; these are the projects we did, and here's the number of gallons we reduced. We eliminated this much, which frees up this much capacity for this many new homes. He will write it up, and we can work together to fill in the details of what we've

accomplished. We get a lot of black eyes. Here's an opportunity to get some good press by basically writing a press release highlighting what we accomplished in the last year. We could go back to 2025, even 2024; it's just an opportunity to communicate what we've accomplished.

General Public Comment (Limited to 3 minutes per individual)

No Public Comment

**Bill moved to adjourn the meeting, which was seconded by Dallas and the motion carried.**

Submitted by: Tammie Richardson



Ellen Holm, Chairperson

